DATE: JULY 31, 2006

TO: ALL INTERESTED PARTIES

RE: M.V. ELWHA PROPULSION

CONTROL SYSTEM REPLACEMENT

CONTRACT NO. 00-7171

ADDENDUM NO. 2

TECHNICAL SPECIFICATIONS RFP Volume II

Attached hereto and incorporated herein is a revision to the RFP Technical Specifications document.

QUESTIONS AND ANSWERS

Attached hereto and incorporated herein are seven (7) Questions and Answers regarding the RFP Technical Specifications, Contract and Proposal Instructions documents.

All other terms and conditions remain unchanged. All proposers will be required to acknowledge receipt of this Addendum on the Financial and Schedule Proposal Form. All Addenda will become a part of the Contract.

Sincerely,

Ben Dietz

Legal Services / Contracts Development Mgr.

Attachment

ATTACHMENT TO ADDENDUM NO. 2

TECHNICAL SPECIFICATIONS RFP Volume II

Optional Modification of Propulsion Switchboard Section 5.6.7

Page 39, fourth paragraph. Delete the fourth paragraph in its entirety and replace with the following new paragraph:

"Contractor shall reuse or replace circuit breakers CB2 & CB7 (SCR1 & 2 Aux) in the bus tie cubicle to supply power to field supply modules 1A and 2A. Replaced breakers shall be either Square D Type FI or KI breakers, or equal, that shall have a minimum fault current rating of 100kA. Each circuit breaker shall be equipped with a padlock lockout bracket. Any removable covers shall accommodate the padlock device. The installation shall consist of a dead front panel to which the circuit breaker shall mount and extend thru pattern cut outs located on the dead front. Provisions shall be made on the dead front panel to provide terminal blocks located to make up all auxiliary circuit breaker connections. Should the contractor reuse the Terasaki breakers, the contractor shall have these breakers refurbished and tested prior to reuse."

QUESTIONS AND ANSWERS

- 1. Q: Reference: Vol. II, Technical Specifications, Section 5.9.1, page 53, third full paragraph, last sentence. Is it acceptable to use standard industrial control wire for PLC I/O, that is factory wired to factory terminal blocks, in lieu of marine control wire?
 - A: Yes.
- **Q:** Reference: Vol. II, Technical Specifications, Section 5.9.1, page 52, third paragraph. [Our firm] will propose an Allen Bradley Control Logix PLC. For the Allen Bradley PLC what is the preferred remote I/O link? Ethernet or ControlNet?
 - **A:** Ethernet is preferred, though ControlNet would be acceptable, provided it meets all the requirements of the Specifications.
- 3. Q: Reference: Vol. III, Attachments to the Technical Specifications, Attachment No. 4, WSF Dwg. 8204-669-099-21 sheet 4. The PLC One Line specifies fiber optics for the remote I/O links. If ControlNet is preferred (see above Question No. 2) is it acceptable for the ControlNet to be copper (coax)?
 - **A:** No. If ControlNet is used, fiber optics will still be required.
- **4. Q.** Reference: Vol. II, Technical Specifications, page 39, 4th paragraph, last sentence:

Sentence reads "Replaced breakers shall be", and appears to be incomplete. Please advise what is to be done with replaced breakers.

A. See the revision to the RFP Technical Specifications in this RFP Addendum.

5. Q. Reference: Vol. I, [RFP Contract], Section 18, Failure to Meet Critical Milestone Completion Dates, paragraph 18.1, Liquidated Damages:

This section calls for liquidated damages of \$6,000 per calendar day with a cap of \$360,000. These amounts seem rather high in proportion to the estimated contract value of approximately \$1,200,000.

Would WSF consider reducing liquidated damages to \$2,000 per day with a cap of \$120,000?

- A. No.
- **6. Q**. [The RFP Contract] does not appear to include an overall Limitation of Liability clause.

Would WSF consider a cap of the value of the Contract?

- A. No.
- 7. Q. [Our firm] is still very interested in providing a bid for this project. We are very concerned that we will not be able to meet the current [proposal] due date with a proper response.

Therefore, [we] would like to officially request a [proposal] due date extension to August 14, 2006. This extension is requested due to the time required to get proposals from potential local subcontractors, and properly respond to the bid package.

A. See the revision to the Proposal Due Date in RFP Addendum No. 1, Question No. 2. WSF does not anticipate any further extension to the Proposal Due Date.

(END)